

**ST. LOUIS COUNTY SPECIAL BOARD  
OF APPEAL AND EQUALIZATION  
FOR THE ASSESSMENT YEAR  
OF 2016 PAYABLE 2017**

The meeting of the 2016 St. Louis County Board of Appeal and Equalization (the “Board”) was called to order at 9:56 a.m. on Wednesday, June 15, 2016, in the Commissioner’s Conference Room, St. Louis County Courthouse, Duluth, MN, by Phil Chapman, Deputy Auditor/Clerk of County Board. By Resolution No. 16-371, adopted June 7, 2016, the St. Louis County Board of Commissioners appointed the following to serve on the Special Board of Appeal and Equalization; roll call was taken:

John Heino	District 1, present
John Doberstein	District 2, present
Lee Conradi	District 3, present
Leonard Cersine	District 4, present
Tim Peterson	District 5, present
Dawn Cole	District 6, present
Frank Bigelow	District 7, present

The oath of office was administered to each member present by Deputy Auditor Chapman.

Deputy Auditor Chapman asked for nominations for Chair of the 2016 Special Board of Appeal and Equalization. Cole/Heino nominated Frank Bigelow for Chair; no other nominations were received. Peterson/Doberstein moved to close nominations and declare Frank Bigelow Chair by unanimous ballot. (7-0)

Chair Bigelow asked for nominations for Vice-Chair of the 2016 Special Board of Appeal and Equalization. Conradi/Doberstein nominated Dawn Cole for Vice-Chair; no other nominations were received. Heino/Peterson moved to close nominations and declare Dawn Cole Vice-Chair by unanimous ballot. (7-0)

County Assessor David Sipila was present for all meetings of the Special Board of Appeal and Equalization.

Hearing appeals start time: 10:04 a.m.

Case No. 16, Gene Fremling, 2507 W. 11<sup>th</sup> St., Duluth, MN, appealing parcel 230-0000-09725. The appellant agreed with the assessor’s recommendation to reduce value by \$8,300 due to lowered era, quality and a rotting foundation structure. The recommended assessment is \$7,600. Peterson/Heino moved to accept the assessor’s recommendation. (7-0)

Case No. 57, Mark Lachecki, 1622 N. Arlington Ave., Duluth, MN, appealing parcel 010-2710-04041. The appellant agreed with the assessor’s recommendation to reduce value by \$46,400 due to an interior inspection resulting in corrections of the effective age, quality of construction, number of bathrooms, and the basement and garage finish. The recommended assessment is \$215,000. Heino/Peterson moved to accept the assessor’s recommendation. (7-0)

Case No. 13-L, Ruth Norman, 1437 Cliff Ave., Duluth, MN, appealing parcel 010-2826-00180. The appellant agreed with the assessor's recommendation to reduce value by \$52,100 due to corrections to the building condition including the attached garage slowly parting company, significant cracking, and caving of the basement slab. The recommended assessment is \$209,300. Doberstein/Cersine moved to accept the assessor's recommendation. (7-0)

Case No. 43, Sean Robinson, 231 Thurber Rd., Duluth, MN, appealing parcel 010-2710-01120. The appellant agreed with the assessor's recommendation to reduce value by \$86,200 due to deferred maintenance for roofing, siding, window issues; as well as an overassessment of basement and garage finishes. The recommended assessment is \$222,100. Heino/Cole moved to accept the assessor's recommendation. (7-0)

Case No. 1, Timothy G. Befera, 5330 S. Cant Rd., Duluth, MN, appealing parcel 415-0010-03680. John Doberstein abstained from discussion. The appellant disagreed with the assessor's recommended assessment of \$286,400. The appellants provided comparative market analysis information to the Board. Mr. Befera felt the assessor's valuation was too high due to overall condition of the home. John Heino made a motion to accept the assessor's recommendation; the motion failed due to lack of a second. Cole/Peterson moved to reduce the building valuation by \$7,500, due to lack of a central heating system, resulting in a total assessment of \$278,900. After further discussion the motion passed. (6-0, Doberstein abstain)

Tim Peterson stepped out of the meeting from 10:57 a.m. to 10:58 a.m.

Case No. 37, Duane Flynn, 4907 Peabody St., Duluth, MN, appealing parcel 662-0010-05040. The appellant agreed with the assessor's recommendation to reduce value by \$12,900 due to a change in land grading. The recommended assessment is \$143,300. Doberstein/Cersine moved to accept the assessor's recommendation. (7-0)

Case No. 6-L, Martin Santti, 525 101<sup>st</sup> Ave. West, Duluth, MN, appealing parcels 275-0013-01380, 275-0013-01330. The appellant agreed with the assessor's recommendation to reduce value by \$3,800 due to a correction in land quality. The recommended assessment is \$42,200. Peterson/Doberstein moved to accept the assessor's recommendation. (7-0)

Case No. 63-AR, Jeffrey and Jamie Bowden, 9140 Jenkins Rd., Cotton, MN, appealing parcels 305-0010-01125, 305-0010-01120. The appellant agreed with the assessor's recommendation to reduce value by \$7,200 due to a parcels being re-classified as contiguous ownership. The recommended assessment is \$201,000. Peterson/Cole moved to accept the assessor's recommendation. (7-0)

Case No. 4-L, Jeanne Ferdon, 5045 Arnold Rd., Duluth, MN, appealing parcel 661-0010-02830. The appellant disagreed with the assessor's recommended assessment of \$159,000. Cole/Heino moved to accept the assessor's recommendation. (6-1, Cersine)

Case No. 10, Larry and Dawn Bickel, 2501 W. 11<sup>th</sup> St., Duluth, MN, appealing parcels 210-0010-06450, 210-0010-06460. John Doberstein abstained from discussion. The appellants disagreed with the assessor's recommended assessment of \$69,500. The appellants provided comparative market analysis information to the Board. Ms. Bickel felt the assessor's valuation was too high because the purchase price in 2015 is lower than the Assessor's 2016 estimated

market value and the site is unbuildable. Peterson/Cersine moved to accept the assessor's recommendation. (6-0, Doberstein abstain)

Case No. 62-AR, Jessie Aspoas, 1377 Two Harbors Rd., Two Harbors, MN, appealing parcel 210-0010-06313. The appellant agreed with the assessor's recommendation to reduce value by \$31,700 due to the lack of basic amenities such as a kitchen, bathroom, central heating system, and floor finishing. The recommended assessment is \$122,700. Doberstein/Heino moved to accept the assessor's recommendation. (7-0)

Case No. 64-L, Barr Engineering, 325 S. Lake Ave., Duluth, MN, appealing parcel 010-5010-12302. The appellant disagreed with the assessor's recommended valuation of \$326,400 because the appellant feels that their license agreement does not create an interest in the property. The assessor read the letter of appeal. St. Louis County Assistant Attorney Nora Sandstad provided the Board with an overview of MN Statute 272.01. After further discussion, Heino/Cersine moved to accept the assessor's recommendation. (7-0)

The Board recessed at 12:03 p.m. and reconvened at 1:04 p.m. with all members present except Dawn Cole.

Dawn Cole entered the meeting at 1:06 p.m.

Case No. 41, Debra and Paul Kellner, 2729 S. Lake Ave., Duluth, MN, appealing parcels 010-3100-00890, 010-3100-00880, 010-3110-02950. The appellants disagreed with the assessor's recommended valuation of \$442,800 based on a recent appraisal of the property. The appellants distributed a partial appraisal to the Board. After further discussion, Conradi/Heino moved to table the discussion to give the appellants an opportunity to provide the Board with a complete appraisal for review; discussion will continue at 3:20 p.m. (7-0)

Case No. 46, Park Point Properties, 2729 Lake Ave., Duluth, MN, appealing parcel 010-4400-00270. The appellant agreed with the assessor's recommendation to reduce value by \$56,600 due to an adjustment made to reflect common, contiguous ownership and a reduction due to the advanced degree of deferred maintenance. The recommended assessment is \$69,300. Peterson/Heino moved to accept the assessor's recommendation. (7-0)

Case No. 34, Eugene Jones, 507 S. 72<sup>nd</sup> Ave. W., Duluth, MN, appealing parcels 010-2420-00870, 010-2420-00900, 010-2420-00910. The appellant agreed with the assessor's recommendation to reduce value by \$19,900 due to a reduction in the quality and condition of the house. The recommended assessment is \$179,100. Doberstein/Conradi moved to accept the assessor's recommendation. (7-0)

Case No. 45, John and Mary Yount, 3000 London Rd., Duluth, MN, appealing parcels 010-1370-07150, 010-1370-07165. The appellant agreed with the assessor's recommendation to reduce value by \$139,700 due to a reduction in the quality and condition of the house and garage. The recommended assessment is \$552,900. Doberstein/Cersine moved to accept the assessor's recommendation. (7-0)

Case No. 61-AR, David Brenna, 819 3<sup>rd</sup> St., Proctor, MN, appealing parcels 185-0150-01480, 185-0150-01490, 185-0150-01500. The appellant agreed with the assessor's recommendation to

reduce value by \$10,400 due to regrading of site value due to a drainage creek and limited usable area. The recommended assessment is \$25,500. Heino/Peterson moved to accept the assessor's recommendation. (6-1, Peterson)

Case No. 47, Mary Russ, 2531 Minnesota Ave., Duluth, MN, appealing parcels 010-3110-00720, 010-3110-00715, 010-3120-02825, 010-3120-02840. The appellant disagreed with the assessor's recommended valuation of \$424,200. The appellant distributed an informational packet to the Board. Heino/Cole moved to accept the assessor's recommendation. The motion failed (3-4, Conradi, Doberstein Peterson, Cersine). After further discussion, Doberstein/Peterson moved for reduce the building valuation by \$13,500; reducing the total assessment to \$410,700. (6-1, Cole)

Case No. 24, Dale Bergeron, 5608 London Rd., Duluth, MN, appealing parcel 010-2830-00080. The appellant disagreed with the assessor's recommended valuation of \$574,200. The appellant indicated that he was challenging the entire process and not specifically his property valuation. The appellant questioned the methodology for data input and feels the dataset that the county uses to determine valuation is inaccurate. After further discussion, Peterson/ Heino moved to accept the assessor's recommendation. (7-0)

Case No. 26, Bonnie and Doug Dressen, 9241 Pequaywan Lake Rd., Duluth, MN, appealing parcel 502-0045-00025. The appellant agreed with the assessor's recommendation to reduce value by \$37,700 due to an inspection of the property and a review of comparable sales. The recommended assessment is \$389,100. Doberstein/Conradi moved to accept the assessor's recommendation. (7-0)

Case No. 66, Patrick Hanson, 4816 Hermantown Rd., Duluth, MN, appealing parcel 661-0010-01640. The appellant agreed with the assessor's recommendation to reduce value by \$7,700 due to limited access to the parcel resulting in a correction to the parcel's access code. The recommended assessment is \$64,800. Peterson/Heino moved to accept the assessor's recommendation. (7-0)

Case No. 23, Kristin & Zacharie DeJarlais, 6481 E. Lake Hunter Rd., Duluth, MN, appealing parcel 365-0040-00033. The appellant agreed with the assessor's recommendation to reduce land value by \$14,100 due to lower quality lakeshore. The recommended assessment is \$278,800. Peterson/Cersine moved to accept the assessor's recommendation. (7-0)

The Board recessed at 3:15 p.m. and reconvened at 3:29 p.m. with all members present.

Case No. 41, Debra and Paul Kellner, 2729 S. Lake Ave., Duluth, MN, appealing parcels 010-3100-00890, 010-3100-00880, 010-3110-02950; appeal continued from previous discussion. The appellants provided the Board with a complete appraisal that valued the property at \$380,000. The appellants asked the Board to consider a valuation of \$399,000. The assessor recommended a reduction in value of \$60,200 due to shared water and sewer by both dwellings and a basement coding correction to reflect the low ceiling. The assessor's recommended assessment is \$442,800. After further discussion, Heino/Cole moved to accept the assessor's recommendation. (5-2, Conradi, Bigelow)

Case No. 29, Terrance & Rebecca Mulenburg, 1649 W. Page St., Duluth, MN, appealing parcels 010-2240-00260, 010-2240-00600. The appellant agreed with the assessor's recommendation to reduce value by \$11,500 due to the garage lacking a heat source and costs to cure basement damage. The recommended assessment is \$242,100. Peterson/Heino moved to accept the assessor's recommendation. (7-0)

Case No. 50, William C. Rothman, 101 E. Gilead St., Duluth, MN, appealing parcels 010-0390-00575, 010-0390-00500, 010-0390-00490. The appellant disagreed with the assessor's recommendation to reduce value by \$25,900 due to a dated interior and a partially incomplete second level. The recommended assessment is \$140,900. Doberstein/Cole moved to accept the assessor's recommendation. (7-0)

At 4:46 p.m. Chair Bigelow recessed the County Board of Appeal and Equalization.

On Thursday, June 16, 2016, at 10:21 a.m. the County Board of Appeal and Equalization reconvened in the Liz Prebich Conference Room, Northland Office Center, Virginia, MN. The following members present: John Heino, John Doberstein, Lee Conradi, Leonard Cersine, Tim Peterson, Dawn Cole, and Frank Bigelow - 7 Absent: None - 0.

Case No. 21, Troy & Caroline Maly, 9960 Deer Lane, Meadowlands, MN, appealing parcels 440-0010-03850, 440-0010-03860. The appellant agreed with the assessor's recommendation to reduce value by \$17,600 due to corrections to several building attributes and a change in agricultural classification. The recommended assessment is \$361,500. Heino/Cole moved to accept the assessor's recommendation. (7-0)

Case No. 30L, Scott Gillette, 2440 Oberline St. NE, Stacy, MN, appealing parcel 440-0020-03530. The appellant agreed with the assessor's recommendation to reduce value by \$3,400 due to the quality of construction materials. The recommended assessment is \$60,600. Peterson/Doberstein moved to accept the assessor's recommendation. (7-0)

Case No. 35, Robert Vavrina, 119 N. 58<sup>th</sup> Ave. E., Duluth, MN, appealing parcels 420-0010-03680, 420-0010-03685, 420-0010-03690, 420-5030-03580. The appellant agreed with the assessor's recommendation to reduce value by \$9,500 due to corrections of several building attributes, a State of Minnesota lease agreement, and a review of GIS aerial photography. The recommended assessment is \$98,300. Doberstein/Heino moved to accept the assessor's recommendation. (7-0)

Case No. 40, James Beatty, 2311 Sherwood Hills Rd., Minnetonka, MN, appealing parcel 350-0020-03725. The appellant disagreed with the assessor's recommendation to reduce value by \$7,100, bringing the total assessment to \$25,400. Mr. Beatty provided the Board with a packet detailing deficiencies and indicated that the sewage system was sealed off. After further discussion, Peterson/Heino moved to accept the assessor's recommendation. (6-1, Cole)

Case No. 12L, Luthera Smith, PO Box 471, Ely, MN, appealing parcel 030-0200-00720. The appellant disagreed with the assessor's recommendation of no change in value. The assessor indicated there was no change because the buildings demolished in October of 2015 were removed for the 2016 assessment. The recommended assessment is \$10,100. Heino/Cersine moved to accept the assessor's recommendation. (7-0)

Case No. 25, Jolene & Kenneth Blake, 11389 Willow River Rd., Gheen, MN, appealing parcels 575-0010-00680, 575-0010-00690. The appellant agreed with the assessor's recommendation to reduce value by \$8,200 due to a correction in grading to reflect contiguous ownership of the parcels. The recommended assessment is \$54,400. Conradi/Cersine moved to accept the assessor's recommendation. (7-0)

Case No. 2, Joe Gabardi, 16351 West Bay Drive, Pengilly, MN, appealing parcel 725-0010-00870. The appellant agreed with the assessor's recommendation to reduce value by \$13,700 due to changes as a result of an interior inspection and review of construction materials. The recommended assessment is \$86,400. Doberstein/Peterson moved to accept the assessor's recommendation. (7-0)

Case No. 18-L, Kenneth and Lin Mu Holappa, 4060 10<sup>th</sup> Ave. SE, Naples, FL, appealing parcels 200-0010-00580, 200-0010-00781. The appellant agreed with the assessor's recommendation to reduce value by \$14,500 due to a decrease in the overall quality of the house. The recommended assessment is \$170,400. Peterson/Heino moved to accept the assessor's recommendation. (7-0)

Case No. 19, Harlan and Jeanne Fitterer, 7610 Smetana Lane #305, Eden Prairie, MN, appealing parcel 240-0015-02052. The appellant agreed with the assessor's recommendation to reduce overall value by \$15,700 due to several building and land attribute changes. The recommended assessment is \$134,600. Doberstein/Cole moved to accept the assessor's recommendation. (7-0)

Case No. 59L, Roger & Michael Richie, 5702 Oakley St., Duluth, MN, appealing parcel 300-0000-09860. The appellant agreed with the assessor's recommendation to reduce value by \$1,300 due to several building attribute changes as a result of an interior inspection. The recommended assessment is \$7,000. Heino/Doberstein moved to accept the assessor's recommendation. (7-0)

Case No. 27B, David & Carol Udovich, 11508 Willow River Rd., Gheen, MN, appealing parcel 575-0010-00910. The appellant agreed with the assessor's recommendation to reduce value by \$6,000 due to a change in the amount of lessor quality acreage. The recommended assessment is \$32,500. Cole/Heino moved to accept the assessor's recommendation. (7-0)

Case No. 60, Arline & Gregory Antus, 9707 Highway 22, Angora, MN, appealing parcel 200-0010-01692. The appellant agreed with the assessor's recommendation to reduce value by \$23,400 due to an interior inspection resulting in an adjustment of the overall quality and effective age of the house. The recommended assessment is \$97,000. Heino/Doberstein moved to accept the assessor's recommendation. (7-0)

The Board recessed at 11:46 a.m. and reconvened at 3:56 p.m. with all members present except John Heino.

Case No. 65, Dorothy Johnson, 4930 London Rd., Duluth, MN, appealing parcel 010-2960-00480. The appellant disagreed with the assessor's recommended assessment of \$469,600. Tim Peterson stepped out of the meeting at 4:01 p.m. Ms. Johnson felt the assessment was too high due to drainage from a culvert causing an unstable and unsafe cliff. Ms. Johnson provided the Board with an engineering report and discussed safety concerns as a result of the deteriorating

cliff. After further discussion, Cole/Cersine moved to reduce the land and building value by 10%, bringing the total assessment to \$422,600. (5-0, Peterson, Heino absent)

Case No. 7, Terry Pogorels, 11297 Spudville Rd., Hibbing, MN, appealing parcels 141-0020-00514, 141-0020-00515. The appellant disagreed with the assessor's recommended assessment of \$181,700. Mr. Pogorels distributed a handout detailing property taxes paid since 1990 and said he felt the estimated market value was overstated. Cole/Cersine moved to accept the assessor's recommendation. (5-0, Peterson, Heino absent)

Case No. 8, Will Sandstrom, 2621 Moland St., Madison, WI, appealing parcels 425-0010-01210, 425-0010-01205, 425-0010-01255, 425-0010-01221. The appellant disagreed with the assessor's recommended assessment of \$69,500. Mr. Sandstrom distributed a handout detailing issues related to the property tax process. Mr. Sandstrom discussed property access issues. Tim Peterson returned to the meeting at 5:20 p.m. After further discussion, Cersine/Conradi moved to accept the assessor's recommendation. (6-0, Heino absent)

Case No. 52, Michael Lalich, 4704 London Rd., Duluth, MN, appealing parcel 010-2960-00280. The appellant disagreed with the assessor's recommended assessment of \$659,800. The appellant provided handouts to the Board detailing various building issues and comparative sales. Cole/Cersine moved to accept the assessor's recommendation. (6-0, Heino absent)

Case No. 33-L, Catherine McCarty, 5020 London Rd., Duluth, MN, appealing parcel 010-2960-00570. The appellant disagreed with the assessor's recommended assessment of \$527,700. Peterson/Cersine moved to accept the assessor's recommendation. (6-0, Heino absent)

Case No. 58, Joseph Sayers, 5144 London Rd., Duluth, MN, appealing parcel 010-2960-00650. The appellant agreed with the assessor's recommendation to reduce value by \$47,000 due to an adjustment to the effective age and removal of the basement finish. The recommended assessment is \$524,700. Doberstein/Peterson moved to accept the assessor's recommendation. (6-0, Heino absent)

Case No. 54, Michael Maxim, 4220 London Rd., Duluth, MN, appealing parcel 010-2960-00870. The appellant agreed with the assessor's recommendation to reduce value by \$155,200 due to various building issues. The recommended assessment is \$494,800. Doberstein/Peterson moved to accept the assessor's recommendation. (6-0, Heino absent)

Case No. 31, Ronald Bergh, 4227 Cooke St., Duluth, MN, appealing parcels 010-1350-10450, 010-3780-01310, 010-3780-00220, 010-2900-00030. The appellant agreed with the assessor's recommendation to reduce total value by \$31,900 due to changes in land grading. The recommended total assessment is \$90,700. Doberstein/Conradi moved to accept the assessor's recommendation. (6-0, Heino absent)

The Board recessed at 6:24 p.m. and reconvened at 6:54 p.m. with all members present except John Heino.

County Assessor Dave Sipila presented a list of appellants who agreed no change was required and withdrew their appeal. Peterson/Doberstein moved to approve the list as presented. (6-0, Heino absent)

County Assessor Dave Sipila presented a spreadsheet of valuation changes. Assessor Sipila stated that the changes were due to various reasons. Doberstein/Cole moved to approve the changes as presented. (6-0, Heino absent)

With no further appeals to consider, Bigelow/Cole moved to approve the following resolution:

#### COUNTY BOARD RESOLUTION

RESOLVED, That the assessment rolls from the several assessment districts of the County of St. Louis, Minnesota, for the year 2016, to-wit: Cities of Aurora, Babbitt, Biwabik, Brookston, Buhl, Chisholm, Cook, Duluth, Ely, Eveleth, Floodwood, Gilbert, Hermantown, Hibbing, Hoyt Lakes, Iron Junction, Kinney, Leonidas, McKinley, Meadowlands, Mountain Iron, Orr, Proctor, Tower, Virginia, and Winton; and Towns of Alango, Alborn, Alden, Angora, Arrowhead, Ault, Balkan, Bassett, Beatty, Biwabik, Breitung, Brevator, Camp 5, Canosia, Cedar Valley, Cherry, Clinton, Colvin, Cotton, Crane Lake, Culver, Duluth, Eagle's Nest, Ellsburg, Elmer, Embarrass, Fayal, Fairbanks, Field, Fine Lakes, Floodwood, Fredenberg, French, Gnesen, Grand Lake, Great Scott, Greenwood, Halden, Industrial, Kabetogama, Kelsey, Kugler, Lakewood, Lavell, Leiding, Linden Grove, McDavitt, Meadowlands, Midway, Morcom, Morse, Ness, New Independence, Normanna, North Star, Northland, Owens, Pequaywan, Pike, Portage, Prairie Lake, Rice Lake, Sandy, Solway, Stoney Brook, Sturgeon, Toivola, Van Buren, Vermilion Lake, Waasa, White, Willow Valley, Wuori and all the Unorganized Towns, as returned by the respective assessors and local Boards of Review, are hereby ordered placed upon the tax lists by the County for the year 2016.

YEAS: Doberstein, Conradi, Cersine, Peterson, Cole, and Chair Bigelow – 6

NAYS: None

ABSENT: Heino - 1

At 7:00 p.m., June 16, 2016, Cersine/Peterson moved to adjourn the 2016 Special Board of Appeal and Equalization. (6-0, Heino absent)

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Phil Chapman, Deputy Auditor/Clerk of the County Board